



RURAL INTERNET UPDATE - OVERVIEW

APRIL, 2019

Improving rural high-speed internet service is a priority. Having a strong internet network will help our province build places where businesses and people flourish. In 2018, the government placed \$193 million in an internet funding trust to help connect more communities, homes and businesses across the province. Develop Nova Scotia is responsible for developing and implementing a strategy to bring reliable, high-speed internet to rural Nova Scotia.

Develop Nova Scotia launched the Internet for Nova Scotia Initiative in December 2018 when we announced our process to pre-qualify organizations to bid on projects across the province. This process closed on March 13th and 11 submissions were received. Submissions were evaluated for financial capacity, human resources and experience to build, maintain, grow and evolve the networks.

Ten organizations have been qualified and include a mix of small and large companies, as well as municipalities. They include:

1. Bell Canada
2. Cross Country TV Limited
3. Eastlink
4. ISM Canada (IBM Canada)
5. Mainland Telecom
6. Municipality of Kings
7. Municipality of Pictou County (with Nova Communications)
8. Seaside Communications
9. TNC Wireless Ltd.
10. Xplornet

In an effort to create opportunities for connections as quickly as possible, Develop Nova Scotia will issue the first call for proposals to those who pre-qualified in early May seeking solutions that can be implemented within 6-12 months. A second call for proposals will be issued in the fall seeking longer term solutions. We are confident projects will begin in some communities in 2019.

Notes:

- 10 organizations have been pre-qualified to bid- include a mix of small and large companies and municipalities
- First call for proposals in early May seeking solutions for implementation within 6-12 months - creating opportunities for connections as quickly as possible
- Second call for proposals in fall seeking longer terms solutions
- Confident projects will begin in some communities in 2019
- Any technologies that meet minimum standards will be considered
- Minimum speed targets are 50/10 megabytes for fixed wired and 25/2 megabytes for wireless
- Service Level Agreements with providers, managed by Develop NS, will ensure quality standards and service levels are met over time and networks evolve with changing technology
- Objective is to get to more than 95%, and as close to 100% as possible

Questions and Answers

Which communities will see projects/connections in 2019?

Improving internet service is a priority for us. While we are confident projects will move forward in some communities in 2019, we don't yet know where projects will move forward first. We won't know this level of detail until the Call for Proposal process concludes and solutions providers respond with specific plans.

We heard smaller companies weren't able to participate?

The competitive process was designed to encourage small and large organizations of a variety of types to participate in improving access to high-speed internet in Nova Scotia. The pre-qualification process sought to ensure proponents, individually or through partnership, had the financial capacity, expertise and experience needed to build, manage and grow and evolve the network over time. The process was open to ideas and different approaches while maintaining sufficient rigor and accountability. Both large and small organizations are among the list of pre-qualified suppliers.

More Federal funding was announced, how does that affect NS?

The recent Federal budget announced \$1.7B in new funding for rural internet initiatives across Canada. We believe our province is well-positioned to take advantage of this additional funding.

To reach our target of high-speed access to more than 95% of rural Nova Scotians, we require additional funding, including private sector participation as well as other government funding. We see this new funding as very positive and will be working closely with our federal partners.

What about CTI projects - when will they start?

All federal Connect to Innovate projects that identified provincial contributions in their applications have been approved for funding by the Nova Scotia Internet Funding Trust, contracts are currently underway and projects will begin soon.

What is the role for Municipalities?

Municipalities were eligible to participate in the Pre-qualification call, either by partnering with a registered Internet Service Provider (ISP) or by registering as an ISP. Municipalities were evaluated by the same criteria as other proponents: financial capacity, human resources/expertise and relevant experience needed to build, maintain, grow, and evolve networks.

It's important to note however it is not necessary for Municipalities to participate in the competitive process in order to have the rural Internet challenges addressed in their area. Develop NS has undertaken this challenge for the province and has an objective to ensure more than 95% of rural homes and businesses obtain access to high-speed internet.